United Nations A/C.5/66/SR.28

General Assembly
Sixty-sixth session

Official Records

Distr.: General
25 May 2012

Original: English

Fifth Committee

Summary record of the 28th meeting
Held at Headquarters, New York, on Tuesday, 13 March 2012, at 3 p.m.

Chair: Mr. Tommo Monthe ..... (Cameroon)
Chairman of the Advisory Committee on Administrative and Budgetary Questions: Mr. Kelapile

Contents

Agenda item 132: Review of the efficiency of the administrative and financial functioning of the United Nations (*continued*)

Accountability

Selection and appointment of senior managers in the United Nations Secretariat

Enterprise risk management

Farewell to the Under-Secretary-General for Management

Agenda item 115: Appointments to fill vacancies in subsidiary organs and other appointments (*continued*)

(b) Appointment of members of the Committee on Contributions (*continued*)

(l) Appointment of members of the International Civil Service Commission

Other matters

This record is subject to correction. Corrections should be sent under the signature of a member of the delegation concerned *within one week of the date of publication* to the Chief of the Official Records Editing Section, room DC2-750, 2 United Nations Plaza, and incorporated in a copy of the record.

Corrections will be issued after the end of the session, in a separate corrigendum for each Committee.

12-26438 (E)

Please recycle

The meeting was called to order at 3.10 p.m.

Agenda item 132: Review of the efficiency of the administrative and financial functioning of the United Nations (*continued*)

Accountability (A/66/692, A/66/710 and Add.1 and A/66/738)

Selection and appointment of senior managers in the United Nations Secretariat (A/66/380 and Add.1)

Enterprise risk management (A/65/788 and Add.1)

1. **Ms. Kane** (Under-Secretary-General for Management), introducing the report of the Secretary-General on progress towards an accountability system in the United Nations Secretariat (A/66/692), said that the report highlighted the progress made in the previous two years to strengthen accountability. The Secretariat had launched a website dedicated to the topic as part of a communications campaign to promote a culture of accountability among staff at all levels. It had reviewed the delegations of authority for human resources, financial and property management to establish who had the authority to take specific decisions and actions and identify the legal source of such authority. A human resources management scorecard had been introduced to deliver timely performance information to managers and other stakeholders and was now part of the senior managers' compact. The performance appraisal system had been reformed to strengthen managerial accountability and shift the focus from compliance to advisory support, with an emphasis on career and staff development. In addition, a policy for the Secretariat-wide implementation of enterprise risk management had been promulgated and tested.

2. Progress had been made in strengthening the processes which ensured that the recommendations of the oversight bodies were implemented. The roles of the responsible officials had been clearly defined and the Management Committee monitored implementation more proactively. Fully 81 per cent of the 16,694 recommendations issued by the Office of Internal Oversight Services (OIOS) between 1999 and 2011 had been implemented and only 8 per cent were outstanding. The Secretariat had a similar track record of implementing the recommendations of the Board of Auditors and was working with the Joint Inspection Unit (JIU) to improve the implementation rate of its recommendations using a web-based tracking system.

3. She noted that JIU had compared accountability frameworks in the United Nations system and other international public institutions and had found that the Secretariat's framework included most of the key components. Nevertheless, strengthening accountability was a work in progress. In the area of results-based management, for example, the Secretariat was developing a methodology and implementation strategy appropriate to the unique environment of the United Nations. Recognizing that accountability was the cornerstone of an effective and trustworthy Organization, the Secretary-General would work with all stakeholders to identify areas that required further improvement.

4. **Mr. Kelapile** (Chairman of the Advisory Committee on Administrative and Budgetary Questions), introducing the related report of the Advisory Committee (A/66/738), said that, while the Secretary-General's report (A/66/692) described the administrative policies, procedures and systems implemented or envisaged for the accountability framework, it provided few details that enabled a clear understanding of the underlying principles and mechanisms. It also lacked information on the weaknesses those measures were intended to address, the timetable for their implementation and the subsequent steps envisaged. The Advisory Committee therefore recommended that the Secretary-General should be requested to improve the content of future progress reports on the implementation of the accountability framework by providing more complete and transparent information, including an analysis of the impact of measures implemented, with key performance indicators and supporting statistical information.

5. The Advisory Committee welcomed the start-up of the "Accountability A to Z" portal as a reference tool to raise awareness of accountability issues. However, that was just a first step: exemplary leadership by senior management was critical in developing a strong culture of accountability, personal integrity, compliance and performance. Failure to hold senior managers to account would have a negative impact on setting accountability standards throughout the Organization.

6. The improvement in monitoring the implementation of the recommendations of the oversight bodies was also welcome. Prompt action to address the weaknesses identified by those bodies was integral to developing an effective accountability system; the Advisory Committee emphasized their

important role and encouraged the Secretary-General to strengthen consultation and cooperation with them.

7. While the Advisory Committee acknowledged the efforts made to review and revise the system of delegation of authority, it found that the Secretary-General's report contained insufficient information to enable a clear understanding of the review process and its findings or the functioning of the new system of delegation of authority and the intended improvements. It reiterated its recommendation that the Secretary-General should be requested to provide further details on the revised system, the mechanisms for monitoring the exercise of delegated authority and the measures to be taken in case of mismanagement or abuse of that authority.

8. Having noted the changes made to the content and assessment methods of the compact system, the Advisory Committee was of the view that, with the envisaged establishment of a connection between individual workplans, departmental workplans, budget fascicles and the senior managers' compacts, and the inclusion in those compacts of the final assessment of managers' performance, that system could become a powerful instrument of accountability. It encouraged the Secretary-General to put those measures into effect.

9. The Advisory Committee would comment further on the performance management policy and the reform of the performance appraisal system when it considered the Secretary-General's proposals on human resources management to be submitted to the General Assembly at its sixty-seventh session. A system of rewards and sanctions was essential to creating a culture of accountability; the Advisory Committee therefore recommended that the Secretary-General should be requested to assess and rigorously apply the measures in place for dealing with cases of underperformance and to report comprehensively on the matter in his report on human resources management issues.

10. With regard to the enterprise risk management framework, the Advisory Committee welcomed the progress made, including the definition of a policy on enterprise risk management and internal control and a methodology and tools for its implementation.

11. **Mr. Zahran** (Chair, Joint Inspection Unit), introducing the JIU report on accountability frameworks in the United Nations system (A/66/710), said that the objective had been to map out and assess the existing frameworks and identify gaps. Accountability practices adopted by organizations even in the absence of a formal framework had been evaluated to identify the components of accountability. The report stressed the complexity of the concept of accountability, which went beyond an internal control system or enterprise risk management process. Transparency and a culture of accountability were important underpinnings of every accountability framework. The report identified 5 principles and 17 benchmarks by which to measure the degree of accountability achieved. Although organizations were primarily responsible for assessment, Member States also bore some responsibility for oversight.

12. Seven United Nations organizations currently had formal accountability frameworks: the United Nations, the International Labour Organization (ILO), the United Nations Development Programme (UNDP), the United Nations Population Fund (UNFPA), the United Nations Children's Fund (UNICEF), the United Nations Office for Project Services (UNOPS) and the World Health Organization (WHO). The frameworks of the United Nations, UNFPA and WHO failed to identify a culture of accountability as one of the pillars, while the United Nations, UNDP and UNICEF frameworks offered good examples of transparency and management responsibility for organizational accountability.

13. Further efforts were required to achieve a mature culture of accountability across the United Nations system. The consistent application of discipline and rewards was sorely needed; the United Nations in particular lacked a comprehensive system of incentives and sanctions. Above all, a culture of accountability would become fully developed only when senior managers led by example and held themselves publicly accountable.

14. Introducing the JIU report on transparency in the selection and appointment of senior managers in the United Nations Secretariat (A/66/380), he noted that the senior managers covered by the report were the Deputy Secretary-General, Under-Secretaries-General and Assistant Secretaries-General, as the appointment of managers at other levels had already been examined in previous JIU and OIOS reports. JIU had found that, while Member States had no major concerns with the structure of the selection and appointment process, they did have concerns about its implementation, which was seen as opaque. JIU recognized that the Secretary-General had discretion in making senior

management appointments, but agreed with Member States that that authority did not give him carte blanche to avoid the process he had established. A balance should be struck so that Member States received sufficient information to have confidence that the process was fair and transparent without compromising the privacy of the candidates or the confidentiality of the deliberative process, whether of the interview panels or the Secretary-General. JIU recommended that the General Assembly should direct the Executive Office of the Secretary-General to establish a dedicated website to convey specific information to the Assembly and that it should endorse the guidelines set out in the JIU report and direct the Secretary-General to follow them in tandem with the process outlined in his previous report on accountability (A/64/640).

15. The Secretary-General's comments on the present report, contained in document A/66/380/Add.1, offered no change or improvement to the process but rather attempted to justify its opacity. The many caveats made — reflected in such phrases as "when feasible", "as appropriate", "generally" and "as needed" — rendered meaningless the steps involved in implementing the process. JIU was disappointed by the Secretariat's "business-as-usual" approach and by the attempt to deflect attention away from the important issues raised by the inspectors, including the need to rationalize and streamline the number and titles of Under-Secretary-General and Assistant Secretary-General positions; the myriad other processes in place for making senior appointments; the failure to advertise or notify Member States of vacancies for senior field-based positions; and the need for proper vetting of candidates.

16. **Mr. Terzi** (Joint Inspection Unit), introducing the JIU report on the review of enterprise risk management in the United Nations system (A/65/788), said that enterprise risk management was an essential element of good governance and accountability. Based on a review of the literature and analysis of lessons learned, JIU had set out 10 benchmarks and 3 recommendations for the successful implementation of enterprise risk management in United Nations system organizations. It recommended that those organizations should adopt the first nine benchmarks, and while they had generally agreed, they had also expressed concern that lack of resources for the required software and training might hamper effective implementation.

17. JIU also recommended that the United Nations System Chief Executives Board for Coordination (CEB) should adopt the tenth benchmark, on closer inter-agency cooperation, coordination and knowledge-sharing networks and the management of cross-cutting organizational risks. Although differences in the structures and mandates of agencies required flexibility in the design and implementation of enterprise risk management policies, that should not prevent the adoption of a common policy approach, which would facilitate communication and collaboration to address risks across the system.

18. Enterprise risk management responded to the need of governing bodies and management to understand the risks that might affect the achievement of organizational objectives. JIU therefore recommended that those bodies should exercise their oversight role regarding the adoption of enterprise risk management benchmarks, effective implementation and the management of critical risks in their respective organizations. He urged the Committee to endorse the benchmarks in order to facilitate the coherent implementation of enterprise risk management in all United Nations system organizations.

19. **Mr. Issa** (Executive Office of the Secretary-General), introducing the note by the Secretary-General transmitting his comments on the JIU report on transparency in the selection and appointment of senior managers in the United Nations Secretariat (A/66/380/Add.1), said that the selection and appointment of senior managers was a complex process that required flexibility and discretion. In seeking the most suitable person for a particular position, the Secretary-General ensured the fairness and transparency of the process while protecting the privacy of candidates and panel members. The objective was to put in place a senior management team with high standards of efficiency, competence, integrity and accountability capable of directing the Organization to respond to evolving organizational needs in order to meet the expectations of Member States and other stakeholders. The Secretary-General's authority to achieve that objective as the Organization's chief administrative officer was enshrined in Article 97 of the Charter.

20. Merit was the core principle in the recruitment of senior staff. In considering candidates who met the core requirements of a post, the Secretary-General also considered other elements to ensure that the selected candidate was a good fit with the management team and that the selection decision enhanced the Organization's objectives. He was committed to ensuring equitable geographical distribution and gender representation.

21. The Secretary-General was mindful of the need to share information with Member States while protecting the confidentiality of the process. As he embarked on his second term, he was keen to ensure the right mix of change and continuity in his senior leadership team, the intention being to build a team with a diverse and complementary composition that was strong on substantive issues. The Secretary-General's firm commitment to mobility would be upheld through the application of the five-year rule across the board. In addition, he would seek to balance the need for fresh perspectives in addressing major challenges and the need to maintain continuity of purpose and priorities. Accordingly, nominations had been sought for Under-Secretaries-General for eight departments and offices: the Department for General Assembly and Conference Management, the Department of Public Information, the Department of Political Affairs, the Department of Economic and Social Affairs, the Office for Disarmament Affairs, the Office of the Special Adviser on Africa, the Economic Commission for Africa and the Economic Commission for Europe. The positions had been advertised on the Secretary-General's website, on the Member States' portal and in such publications as *The Economist*, *Le Monde* and *Jeune Afrique*. Nominations were also being sought for Under-Secretaries-General for Management and for Field Support; nominations from Member States would be welcome.

22. The positions in the Office for Disarmament Affairs, the Economic Commission for Europe and the Office of the Special Adviser on Africa had been filled; the Secretary-General had also appointed the Deputy Secretary-General and Chef de Cabinet. He would make additional announcements in the following weeks as the relevant selection processes were completed.

23. **Mr. Herman** (United Nations System Chief Executives Board for Coordination), introducing the note by the Secretary-General transmitting his comments and those of CEB on the JIU report on accountability frameworks in the United Nations system (A/66/710/Add.1), said that agencies generally supported the content and conclusions of the JIU report. They agreed that the substance of accountability frameworks was more important than their form and that what counted was a culture of accountability and the actual application of accountability in operation. While they generally accepted the spirit of the recommendations, they had some reservations: on the recommendation that called for the development of an information disclosure policy, for example, they suggested that such a policy should include safeguards to protect organizations' interests.

24. Turning to the note by the Secretary-General transmitting his comments and those of CEB on the JIU report on the review of enterprise risk management in the United Nations system (A/65/788/Add.1), he said that agencies recognized the importance of enterprise risk management and considered that a well-structured approach to risk could help them deliver on their mandates. They also agreed that a coordinated approach would be useful, as many were in the early stages of developing their enterprise risk management. While they generally accepted the JIU recommendations, they had concerns about several of the benchmarks. They noted that successful implementation of enterprise risk management required adequate funding and that it was a challenge to identify resources for a project of that magnitude in an environment of limited budgetary flexibility. Benchmark 10, which called for a harmonized approach, might prove difficult to achieve given the lack of homogeneity of agencies' mandates and operations.

25. Many organizations, with the benefit of JIU assessments of accountability, management and oversight in the United Nations system, had made efforts to strengthen and reorient their managerial cultures, management systems and accountability and oversight processes. In doing so, they were responding to the changing context in which they implemented their mandates and a scarcity of resources, which put pressure on public organizations worldwide to better use public funds and ensure higher-quality performance.

26. **Mr. Benmehidi** (Algeria), speaking on behalf of the Group of 77 and China, expressed concern that the fundamental principles of accountability for international civil servants, as defined in General Assembly resolution 64/259, had not been fully upheld by the Organization's leadership. The Group, which had repeatedly underscored the need for the Secretary-General to lead by example, concurred with the Advisory Committee that his failure to hold senior managers to account had a negative impact on setting accountability standards throughout the Organization.

27. The Secretary-General's report (A/66/692) did not address the specific issues mentioned in the resolution and, while it described the accountability framework, provided few details on the accountability measures

themselves: information on mechanisms for monitoring and reporting on implementation should have been provided. Despite the assertion that accountability was being strengthened, the dearth of details, and the fact that performance reporting and results-based management were missing from the framework, indicated a lack of commitment to implementing an effective accountability system and fostering a culture of accountability throughout the Secretariat.

28. He expressed consternation at the many initiatives — such as the change management initiative — that were being implemented without a legislative mandate. The Group requested that, in order to build trust between the Member States and the Secretariat, the Secretary-General should submit his report on change management to the General Assembly under the agenda item on review of the efficiency of the administrative and financial functioning of the United Nations.

29. In recent months, the Member States had witnessed rivalries among senior managers and attempts to usurp the intergovernmental process on issues that lay within the purview of the Assembly. The crisis that had faced the Umoja enterprise resource planning project for nearly 10 months was an example of a failure of accountability in the Organization; the Group called for a full review of its causes and circumstances.

30. As the implementation of an accountability system in the United Nations was an ongoing process, the Group endorsed the Advisory Committee's recommendation that the Secretary-General should be requested to submit an annual progress report on the matter.

31. **Mr. van den Akker** (Observer for the European Union), speaking also on behalf of the acceding country Croatia; the candidate countries Iceland, Macedonia, Montenegro, the former Yugoslav Republic of Macedonia and Turkey; the stabilization and association process countries Albania and Bosnia and Herzegovina; and, in addition, the Republic of Moldova and Ukraine, said that the European Union welcomed the progress made in implementing an effective accountability system and the Secretary-General's efforts to promote a culture of accountability. It was disappointed, however, at the lack of in-depth analysis of the factors contributing to such a culture, including the role of leadership, a rigorous performance appraisal system, and a system of rewards and sanctions. It was also regrettable that the Advisory Committee's report on the subject (A/66/738) had been issued at a late stage.

32. A culture of accountability was crucial for the effective and transparent delivery of results and relied on mutual trust, cooperation, common objectives, reliable measurements, incentives and corrective action. Clear delegation of authority with well-defined roles and responsibilities was another prerequisite for success. The European Union wished to receive further information on the new system of delegation of authority and the improvement it was designed to yield.

33. Much remained to be done to mainstream a culture of accountability into the day-to-day functioning of the United Nations: setting good examples and linking institutional to personal accountability were part of that process. Senior managers should not only be vocal in their support of accountability but should also practise it by holding themselves to account. The results-based management system and other performance-related initiatives, bolstered by the work of the change management team, were setting the right parameters. However, his delegation was deeply concerned about the management and governance crisis in Umoja, which sent a contradictory message about the need for managers to be at the forefront of accountability.

34. A foundation had been laid for enterprise risk management, which should be streamlined throughout the Organization and become embedded in every function rather than being the responsibility of a centralized office.

35. **Mr. Dettling** (Switzerland), speaking also on behalf of Liechtenstein, said that applying the principle of accountability was crucial to ensure that the United Nations enjoyed credibility with its stakeholders. He welcomed the efforts to establish a system of accountability within the Secretariat, which was admittedly a complex task. However, he concurred with the Advisory Committee that the Secretary-General's report (A/66/692) should have contained more specific information on progress, with greater use of key performance indicators and statistical data.

36. The progress made in developing an enterprise risk management framework was welcome and the positive experience drawn from its implementation in the Office for the Coordination of Humanitarian Affairs and the capital master plan was encouraging. The two delegations would examine closely the proposal to establish a dedicated enterprise risk management and internal control function within the Office of the Under-Secretary-General for Management.

37. The Committee should be informed as soon as possible of progress in results-based management and performance reporting, which were key elements of accountability. He urged the Secretary-General to continue implementing accountability within the Secretariat and not to allow the process to become overly lengthy. Two questions should be answered to clarify the scope and timeframe of the remaining work: what was the objective in each area of the accountability system and what was the deadline for the full implementation of the system and the start of the monitoring phase?

Farewell to the Under-Secretary-General for Management

38. **The Chair**, on behalf of the Committee, joined by **Mr. Kelapile** (Chairman of the Advisory Committee on Administrative and Budgetary Questions), **Mr. Zahran** (Chair, Joint Inspection Unit) and **Mr. Herman** (United Nations System Chief Executives Board for Coordination), thanked Ms. Kane for her outstanding work as Under-Secretary-General for Management and wished her every success in her new post as High Representative for Disarmament Affairs.

39. **Ms. Kane** (Under-Secretary-General for Management) paid tribute to the hard-working and indefatigable nature of the members of the Fifth Committee. She hoped to receive an equally warm welcome when she appeared before them in her new capacity.

Agenda item 115: Appointments to fill vacancies in subsidiary organs and other appointments (*continued*)

(b) Appointment of members of the Committee on Contributions (*continued*) (A/66/102/Add.1)

40. **The Chair** drew the Committee's attention to document A/66/102/Add.1, in which the Secretary-General informed the General Assembly of the resignations of Mr. Sumi (Japan), with effect from 1 February 2012, and Mr. Park Hae-yun (Republic of Korea), with effect from 6 February 2012, from the Committee on Contributions. The Secretary-General invited the Assembly to appoint two persons to fill the remaining period of the terms of office of Mr. Sumi and Mr. Park Hae-yun, which expired on 31 December 2012 and 31 December 2014, respectively. In the same document, he communicated the names of two persons who had been nominated by their respective Governments to fill the remaining period of the terms of office. Both candidatures had been endorsed by the Group of Asia-Pacific States. He took it that the Committee wished to recommend by acclamation that the Assembly should confirm the candidates' appointment.

41. *It was so decided.*

42. *The Committee recommended that the Assembly should confirm the appointment of Mr. Watanabe (Japan) for a term beginning on the date of appointment and expiring on 31 December 2012, and of Mr. Yoo Dae-jong (Republic of Korea) for a term beginning on the day of appointment and expiring on 31 December 2014.*

(l) Appointment of members of the International Civil Service Commission (A/66/694)

43. **The Chair** drew the Committee's attention to document A/66/694, in which the Secretary-General, referring to articles 3 to 5 of the statute of the Commission, informed the Assembly that Mr. Paranhos Velloso (Brazil) had resigned from the Commission, effective 6 October 2011, and invited it to appoint a person to fill the remaining period of the term of office of Mr. Paranhos Velloso, which expired on 31 December 2013. In the same document, he communicated the name of a person who had been nominated by his Government to fill the vacancy arising from the resignation of Mr. Paranhos Velloso and whose candidature had been endorsed by the Group of Latin American and Caribbean States. He took it that the Committee wished to recommend by acclamation that the Assembly should confirm the candidate's appointment.

44. *It was so decided.*

45. *The Committee recommended that the Assembly should confirm the appointment of Mr. Hermosillo (Mexico) for a term beginning on the day of appointment and expiring on 31 December 2013.*

Other matters

46. **The Chair**, recalling that, at its 27th meeting held on 6 March 2012, the Committee had resumed its consideration of the conditions of service of judges under agenda item 134, Programme budget for the biennium 2012-2013, drew the Committee's attention to a letter dated 1 February 2012 from the President of the International Court of Justice to the President of the General Assembly, contained in document A/66/726.

The meeting rose at 4.40 p.m.